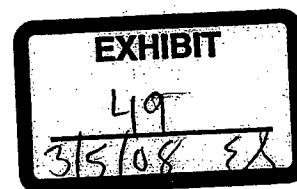


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GROUP



Utility Cost Management Solutions

Report on Client Contact

To: File
From: C. Amundsen
Date: December 22, 2006
Re: Tiffany & Co./#12301

OBJECTIVE: To contact Bruce Mogel to discuss our recommendation concerning the overcharges at their facility in Manhasset, NY.

RESULTS: Bruce advised that he wants NUS to pursue this billing discrepancy and secure a refund where applicable and also to ensure that whatever error has taken place is corrected.

Summary: This morning I contacted Bruce Mogel to discuss our Cost Analysis Report of December 20th which indicated that a billing error resulted in excessive overcharges by both LIPA as well as Con Ed Solutions. As we spoke Bruce went on his computer and called up copies of the bills. He stated that he would fax the most recent bills over to us.

In further discussing the plausible amount of the error Bruce commented that this was a "great catch" and he wanted to confirm that Tiffany and NUS would share in refund savings; however, he questioned the significantly large estimated savings of \$372,000. Bruce remarked/questioned whether NUS was going to be billing them into the future for this type of shared savings. "Are you seriously planning to bill this as a savings on a monthly basis going forward?" I advised Bruce that this was our standard business model, that is, when a billing discrepancy occurred and was corrected, we shared in any refund to which the client was entitled and subsequently billed for shared savings that result from correcting the billing discrepancy. Bruce indicated that he questioned this action and said this would be something he would want to negotiate with NUS. I stated that I would have to discuss the issue with NUS management and he understood. However, for the time being, he did not want us to delay contacting the utility suppliers and getting the problem corrected. I stated that I would be contacting both LIPA and Con Ed Solutions immediately and keep him advised of the results. He thanked me.

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